World Table Grape Situation and Outlook

United States total fresh market grape production in 2001 is about unchanged from a year ago at 815,992 metric tons. Total California fresh market grape production is expected to be about even at 803,000 tons. Total production during the 2001 season for selected Northern Hemisphere table grape producing countries is expected to decline 2 percent. U.S. table grape exports during 2001 posted a 3-percent increase over the previous year with a stronger market in the United Kingdom and growth to Asian markets continuing.

United States

The table grape industry continues to successfully market its grapes overseas. In 2001, approximately 298,918 tons were shipped at a value of $389 million. Although exports to the largest market, Canada, declined slightly, moderate increases to the United Kingdom and strength in the Hong Kong and Malaysian markets helped to offset any declines. The second largest market for U.S. grapes continues to be Hong Kong with shipments to Malaysia, our fifth largest market, posting large increases during 2001.

During 2001, table grape imports posted a 13-percent decline. About 11 percent and 14 percent fewer grapes were imported from Chile and Mexico, respectively. Argentina, although accounting for less than 2 percent of total imports, more than doubled the amount that they shipped during 2000.

The Market Access Program continues to be an important market development tool to stimulate demand and fuel table grape exports. During marketing year (MY) 2002, the U.S. Department of Agriculture/Foreign Agricultural Service and the California Table Grape Commission will share the cost of undertaking promotional activities in Asia, Latin America, and the United Kingdom.

On February 14, 2002, the Australian Ministry of Agriculture finally approved entry of California table grapes, but under strict conditions, which include fumigation-at-origin. Industry would prefer on-arrival fumigation. The final recommendation was based on an extensive import risk analysis that was completed by Australia on California table grapes over the past few years. In fact, USDA and USTR have worked for more than ten years to obtain table grape access to the Australian market for California. Most recent discussions have focused on the technical aspects of a shipping protocol, with APHIS and AQIS (the Australian quarantine authority) ironing out the final details. USDA will continue to work with the grape industry and the Australians to reassess the program at the end of the first shipping season to review the need for some of the requirements, such as fumigation-at-origin.

Canada

Canada imported about 10 percent fewer grapes during 2001 compared to the previous year. During 2001, the United States supplied about 65 percent of the total grapes imported into Canada; Chile supplied about 22 percent and Mexico only about 6 percent. The remaining 7 percent was shipped from Italy, South Africa, and Argentina. During 2000, Peru began to ship grapes to Canada and last year shipped about 190 tons, nearly six times the amount during 2000.

Mexico

Unfavorable weather conditions in 2001 caused table grape production to drop an estimated 18,370 tons from 2000 and total 171,000 tons for the year. Sources indicate that area planted has been increasing although this is partially offset by the fallowing of older acreage. Water shortages and the lack of available credit are considered limiting factors in expansion efforts.

Mexican grape consumption is increasing but 2001 imports are expected to be about even with the previous year. U.S. table grape exports to Mexico during 2001 totaled 35,380 tons, down 12 percent from 2000. Chile is expected to supply about 40 percent of total imported grapes while the United States is expected to supply the remainder. Chilean shipments do not directly compete with those from the United States; Chile typically exports to Mexico in June and July, while the United States exports primarily during August through December.

Chile

Table grape production is expected to increase 2 percent in 2001 to 955,000 tons. Exports during 2000 reached a high of 596,196 tons with top destinations including the United States, the Netherlands, Mexico, the United Kingdom and Hong Kong. Exports during 2001 declined 9 percent overall but shipments to Mexico were 18 percent higher than 2000 at a level of 32,843 tons valued at $27 million. Chile produces over 36 varieties of table grapes for export. Thompson Seedless, Flame Seedless and Ribier are the bulk of production. Production of the Red Globe variety has increased significantly in the last few years, as most replanting has been with this variety.

China

Production in calendar year 2001 is expected to be 3.80 million tons, up 16 percent from the 3.28 million tons in 2000. Most of China=s grape production is made up of 12 different major varieties, Jufeng being the most popular. Red Globe acreage is mainly located on China=s east coast. Within this area, growers have experienced some disease problems. Despite reports of efforts to increase the Red Globe production base, near term competition from the Red Globe is expected to be limited.

Acreage planted in grape vines is growing along with grape processing, particularly for wine. However, at least for the short term, China remains a net importer of grapes. Despite improving distribution and storage infrastructure for fruit, reported post-harvest gaps still exist supporting continued growth in exports of U.S. table grapes to China. U.S. exports to China decreased in 2001 to 7,117 tons.

Import tariffs in 2002 dropped to 23.2 percent (effective tariff 39 percent) from a level of 40 percent (effective tariff 58.2 percent) during 2001. This rate is for countries that have most-favored-nation (MFN) trading status with China (i.e. WTO members). The import tariff for countries that do not have MFN trading status with China decreased from 100 percent in 2001 to 80 percent in 2002. The VAT rate remained unchanged at 13 percent. This tariff change is likely to help increase China's grape imports.

U.S. imports of grapes from China, although still very small, almost doubled during 2001. The bulk of the shipments came in during the month of March last year with some very small amounts in early summer.

The trade continues to expect China to become a major competitor to U.S. exports in the next 2 to 5 years, particularly in Southeast Asia. Most current trade data shows that during 2001 China began shipping table grapes to Bangladesh and India. In addition, grape export trade that was established to Sri Lanka in 2000 increased slightly in 2001.

Japan

Japan's table grape production has been on the decline in recent years but imports of grapes, particularly the Thompson Seedless and Red Globe varieties, have helped to ensure a quality product on the Japanese market year round.

Japan's top suppliers include Chile and the United States, but the Japanese also source product from Mexico, Taiwan, and New Zealand. During 2001, Japan was the United States thirteenth largest export market. Chile has increased the value of their grape exports to Japan from $19 million in 1999 to nearly $30 million in 2001. Comparatively, the United States, over the last year, has experienced a loss in market share with value of its shipments measuring only at about $5.5 million. The United States still faces some relatively high tariff rates --17 percent from March through October, and 7.8 percent from November through February.

Although the Japanese economy is struggling to pull out of its long recession, the California Table Grape Commission continues to use Market Access Program funds to help stimulate demand for table grapes. As a result of promotional efforts under the MAP, Japanese consumers are becoming more familiar with the California origin, health benefits and varieties of California grapes.

Greece

About half of the 150,000 hectares planted under vine are devoted to the table grape and dried fruit industries. Greek table grape production estimates for calendar year (CY) 2001 have been increased to a record 328,412 tons. Favorable spring weather conditions during bloom and fruit set allowed for a bumper crop despite a change in weather conditions that ultimately caused the fruit quality to suffer. Export levels remained larger than the previous year but marketability to specific destinations shifted with the quality of the fruit available. Top destination markets typically include: Germany, United Kingdom, the Netherlands, and Eastern European countries such as Poland, Macedonia, Bulgaria, and Romania. During January – July 2001, availability of lower priced product helped to move larger quantities into the Netherlands, and the United Kingdom. Grapes imported into Greece are minimal and occur either during the off-season or to fill demand of grape varieties not typically grown in country. Most imported product comes from Argentina and Chile.

Italy

Italy is reported to have the largest acreage cultivated with grape vines. Actual area planted for table grapes has remained steady over the last few years but table grape production during 2001 is expected to show a decline of about 3 percent. Italy's top export markets include Germany, France, the United Kingdom and Switzerland. They compete with the United States in our seventh largest market, the United Kingdom. During 2000, Italy exported a total volume of approximately 625,000 tons at a value of $ 457 million. In comparison, during 2000 the United States exported 289,924 tons at a total value of $ 360 million.

Italy imports a very small amount of table grapes from the United States, as they are such a large producer. The Italians source most of their imported table grapes from France and Spain but also import from Central and South American countries such as Costa Rica, Ecuador, and Argentina.

Spain

Table grape production is expected to decline about 9 percent for 2001 from the previous year, due to heavy rains and warmer temperatures. Imported table grapes are mainly from Italy, Chile, France and South Africa. In 2000, the Spanish imported about 19,000 tons. During the first 10 months of 2001, despite lower production, Spain imported fewer grapes, with available data showing a 3-percent decline. Italy, their main supplier, had fewer grapes to market during 2001.

Table grapes are exported mainly to Portugal, Germany, France, the United Kingdom and the Netherlands. During the first 10 months of 2001, Spain's top market for table grapes was the United Kingdom with a volume of 20,000 tons valued at $21.7 million. Total volume and value of grapes exported during January through October 2001 increased 2 percent and 9 percent respectively.

Turkey

Turkey exported 64,873 tons of table grapes in 2000, with top markets including Germany, Austria, and the

Russian Federation. In the first 10 months of 2001, Turkey's grape exports were about 29 percent above the same period during 2000 and valued at about $27 million. The sharp devaluation of the lira last year made most exports highly competitive, resulting in increased volumes.

Turkey imported a very small amount of grapes from Chile and South Africa during 2001 and only about half of the amount that it imported in year 2000.

TABLE GRAPES: PRODUCTION, SUPPLY, AND DISTRIBUTION

Country/ Year 1/	Production 2/	Imports 3/	Total Supply	Exports, Fresh Only 3/	Domestic Fresh Consumption	For Processing	Withdrawal from Market
Northern Hemisphere Countries							
Greece							
1999	287,000	1,413	288,413	102,458	135,955	50,000	0
2000	315,878	1,955	317,833	104,151	170,696	42,986	0
2001	328,412	1,500	329,912	117,000	167,912	45,000	0
Italy							
1999	1,562,000	12,000	1,574,000	578,000	696,000	300,000	0
2000	1,568,000	14,000	1,582,000	625,000	690,000	267,000	0
2001	1,580,000	14,000	1,594,000	635,000	689,000	270,000	0
Japan							
1999	242,000	9,005	251,005	24	219,481	31,500	0
2000	237,500	13,218	250,718	23	222,695	28,000	0
2001	234,200	15,000	249,200	20	219,180	30,000	0
China; Peoples Republic of							
1999	2,708,127	25,859	2,733,986	437	2,273,159	460,390	0
2000	3,280,000	44,156	3,324,156	752	2,691,204	632,200	0
2001	3,800,000	52,408	3,852,408	920	3,015,488	836,000	0
Mexico							
1999	185,615	51,896	237,511	107,830	129,681	0	0
2000	189,370	73,744	263,114	115,414	147,700	0	0
2001	171,000	82,000	253,000	95,000	158,000	0	0
Spain							
1999	370,200	21,000	391,200	100,000	255,000	30,000	6,200
2000	351,000	19,200	370,200	111,000	236,000	20,000	3,200
2001	320,000	25,000	345,000	95,000	230,000	19,000	1,000
Turkey							
1999	3,400,000	233	3,400,233	47,980	1,652,253	1,700,000	0
2000	3,600,000	173	3,600,173	64,873	1,750,300	1,785,000	0
2001	3,500,000	100	3,500,100	70,000	1,700,100	1,730,000	0
United States							
1999	804,882	383,672	1,188,554	238,987	949,567	0	0
2000	822,666	469,749	1,292,415	289,924	1,002,491	0	0
2001	815,922	414,000	1,229,922	298,918	931,004	0	0

Subtotal							
1999	6,851,697	479,219	7,330,916	1,175,279	4,037,937	2,111,500	6,200
2000	7,084,414	592,039	7,676,453	1,310,385	4,219,882	2,142,986	3,200
2001	6,949,534	551,600	7,501,134	1,310,938	4,095,196	2,094,000	1,000
Southern Hemisphere Countries							
Chile							
1999	815,000	97	815,097	473,525	93,000	248,572	0
2000	935,000	16	935,016	596,000	95,000	244,016	0
2001	955,000	12	955,012	580,000	96,000	279,012	0
South Africa; Republic of							
1999	227,671	0	227,671	183,716	39,378	4,577	0
2000	208,000	0	208,000	168,000	36,000	4,000	0
2001	210,000	0	210,000	170,000	37,000	3,000	0
Subtotal							
1999	1,042,671	97	1,042,768	657,241	132,378	253,149	0
2000	1,143,000	16	1,143,016	764,000	131,000	248,016	0
2001	1,165,000	12	1,165,012	750,000	133,000	282,012	0
Total Selected Countries							
1999	7,894,368	479,316	8,373,684	1,832,520	4,170,315	2,364,649	6,200
2000	8,227,414	592,055	8,819,469	2,074,385	4,350,882	2,391,002	3,200
2001	8,114,534	551,612	8,666,146	2,060,938	4,228,196	2,376,012	1,000

1/ Calendar year for all countries.
2/ U.S. production data represent fresh market utilization.
3/ U.S. exports and imports are from the Bureau of the Census with forecasts by the USDA/Foreign Agricultural Service.

SOURCES: FAS Agricultural Attaché Reports, Bureau of the Census, NASS/USDA.

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Check out the grape web page at http://www.fas.usda.gov/htp/horticulture/grapes.html. For information on production and trade, contact Heather Page Velthuis at 202-720-9792. For information on marketing contact Yvette Wedderburn Bomersheim at 202-720-0911.

TABLE GRAPES: U.S. EXPORTS 1/

Destination	1996	1997	1998	1999	2000	2001	Jan-Dec '01/'00
			---Metric Tons---				-- % Change --
Canada	87,042	97,396	81,505	89,508	95,529	89,138	-7%
Hong Kong	38,547	58,548	31,569	37,017	35,486	46,515	31%
Mexico	10,859	23,920	24,007	30,881	40,109	35,380	-12%
Malaysia	5,858	7,551	3,005	3,589	10,936	24,360	123%
Taiwan	16,326	11,962	8,756	16,629	20,365	14,914	-27%
Philippines	12,734	15,903	6,411	14,066	13,338	14,299	7%
United Kingdom	4,412	5,609	6,934	8,762	11,244	12,320	10%
Venezuela	999	1,936	1,889	2,681	5,325	7,478	40%
Singapore	4,575	5,357	4,631	3,651	6,756	7,202	7%
China	28	454	5,680	928	9,105	7,117	-22%
All Others	33,335	42,013	30,865	31,275	41,731	40,195	-4%
Total	**214,715**	**270,649**	**205,252**	**238,987**	**289,924**	**298,918**	**3%**

1/ Calendar year for all countries.
SOURCES: U.S. Agricultural Attaché Reports and Bureau of the Census with forecasts by the
Foreign Agricultural Service/USDA.

TABLE GRAPES: U.S. IMPORTS 1/

Origin	1996	1997	1998	1999	2000	2001	Jan-Dec '01/'00
			---Metric Tons---				-- % Change --
Chile	292,896	272,333	289,233	274,791	359,678	319,481	-11%
Mexico	60,033	75,713	101,044	87,632	90,749	77,794	-14%
Argentina	0	0	286	630	2,329	5,242	125%
South Africa	3,218	7,450	10,122	13,591	10,393	2,443	-76%
Italy	194	1,142	958	843	1,492	2,317	55%
Peru	254	75	0	55	265	1,045	294%
Canada	2,945	3,202	4,152	5,910	4,447	814	-82%
Brazil	0	12	0	41	329	61	-81%
All Others	286	1	26	35	4	34	750%
Total	**359,826**	**359,928**	**405,821**	**383,528**	**469,686**	**409,231**	**-13%**

1/ Calendar year for all countries.
SOURCES: U.S. Agricultural Attaché Reports and Bureau of the Census with forecasts by the
Foreign Agricultural Service/USDA.